upto 25% of the difference between the original and revised estimated cost. Such assistance is extended only once for any on-going project subject to the following conditions :

(i) The State Government should undertake to provide/arrange necessary funds for meeting the balance over-run in the cost.

(ii) the revised estimated cost is administratively approved by the State Government.

(c) and (d) the quantum of LIC loan for water supply and sewerage disposal schemes in cities having population more than 20,000 will depend upon the pattern of financing indicated above. The maximum loan admissible for Schemes costing upto Rs. 1.00 crore is 67% (in Urban areas) and 50% (in Rural areas) and for over Rs. 1.00 Crore, LIC loan will be on a reducing scale.

[English]

Economic Reforms

94. SHRI SONTOSH MOHAN DEV :
SHRI KACHARU BHAU RAUT :
SHRI R. SAMBASIVA RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether he has recently stated that there was no economic reforms in the offing;

(b) if so, whether the Prime Minister pointed out that a package of economic measures will be announced before 30th January, 1997;

(c) if so, whether the latest statement made by him has created great resentment amongst the industry and in the market; and

(d) if so, the measures Government proposes to take to improve the economic reforms ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) On 31st December, 1996 the Prime Minister met with a cross section of industrialists and economists to exchange views on the economy. The Finance Minister, the Industry Minister, the Commerce Minister and the Deputy Chairman, Plannning Commission were present. At that meeting the Prime Minister indicated that Government would expedite decisions on long-standing policy issues and announce suitable policy measures in the month of January, 1997.

(c) Does not arise.

(d) Several policy measures have been recently announced by the Government in the area of foreign investment and development of infrastructure. These include expanding the list of industries eligible for automatic approval of foreign equity upto 51 per cent, announcement of 9 groups of industries for automatic approval of foreign equity upto 74 per cent. and announcing the first ever guidelines for consideration of foreign direct investment proposals by the Foreign Investment Promotion Board, which are not covered under the automatic route. Foreign Institutional Investors (FIIs) have been allowed to invest in corporate and debt funds, and the guidelines for the External Commercial Borrowings have been further liberalised.

Other policy measures include delicensing of consumer electronics, enhancement of investment ceilings for the small scale industries, deregulation of prices and distribution of D Grade of non-coking coal, hard coke and soft coke, allowing telecom projects to avail of tax holiday and concessional import duty, announcement of liberalised guidelines for private participation in ports and highways and announcing of Common Minimum Action Plan for Power.

Magisterial Powers to Income Tax Officers

95. SHRI BRIJ BHUSHAN TIWARI :
KUNWAR SARVARAJ SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Income Tax department have sought Magisterial power for Income Tax Officers to enable them to take suitable action during raids of Income Tax cases;

(b) if so, the action taken thereon;

(c) whether the Government propose to provide service revolver to Income Tax Officers for self defence; and

(d) if not, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) The matter was examined in consultation with Ministry of Home Affairs/Law who opined that the Magisterial Powers can not be conferred on the Income-tax Officials in view of the Constitutional constraint that 'Law and Order' is a State subject.

(c) and (d) No such proposal is being considered at present.

[Translation]

Seizure of Goods

96. DR. BALIRAM : Will the Minister of FINANCE be pleased to state :

(a) the details of the goods seized by the Customs and Central Excise in Metropolitan cities and also at international airports during the last three months;

(b) the value of the goods seized;

(c) the number of persons arrested in this regard; and

(d) the manner in which the Government dispose of the seized goods ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) During the three month period of November 1996 to January, 1997 contraband such as

gold, precious stones, electronic goods, Indian & Foreign currency, synthetic fabrics & other misc. goods valued at Rs. 4800.57 lakhs were seized by the field formations of Customs & Central Excise in metropolitan cities and at International Airports. 135 persons were arrested in this regard.

(d) Seized goods are disposed on becoming pipe for disposal. Consumer goods are disposed of by retail sale at customs counters or through NCCF and consumer co-operative societies. Bulk or trade goods are either auctioned or sold through tender, while hazardous or dangerous goods and Narcotics are destroyed as per instructions issued by the Government. Gold and silver are being sold through retail counters in the four major Custom Houses *i.e.* Mumbai, Calcutta, Delhi and Chennai.

[English]

Portraits of Patriots

97. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the details of competent authorities to select the portraits of patriots to be displayed in Courts as well as in the Government offices; and

(b) the details regarding the procedure followed in this regard ?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) The information is being collected and will be laid on the Table of the House.

[Translation]

Economy Liberalization

98. SHRI SOHAN BEER :
KUMARI UMA BHARATI :
SHRIMATI KETAKI DEVI SINGH :
PROF. OMPAL SINGH NIDAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the pace of liberalization and economic reforms is very slow;

(b) if so, the reasons therefor, and

(c) the steps taken by the Government to accelerate the pace of economic reforms and to ensure that all sections of the society are benefited the reform ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) Since June 1, 1996 several measures have been taken by the Government in the areas of foreign investment and infrastructure development. The Foreign Investment Promotion Council (FIPC) has been set up, the Foreign Investment Promotion Board (FIPB) has been streamlined and made more transparent and the first every guidelines for direct foreign investment have been announced in the areas which are not covered under the automatic route. The list of industries eligible for automatic approval of foreign equity upto 51 per cent has been expanded and a new list for automatic approval of foreign equity upto 74 per cent has been announced. Foreign Institutional Investors have been allowed to invest in unlisted companies and in corporate and Government securities, and guidelines for External Commercial Borrowings have been liberalised.

Other reforms include setting up of Disinvestment Commission, independent Tariff Commission, enhancing investment ceilings for small scale industries, delicensing of consumer electronics, changes in sugar policy, deregulation of prices and distribution of certain categories of coal and amendment of Coal Mines Act.

Since December, 1996 the Government has allowed automatic approval for foreign equity participation upto 74 per cent in key infrastructure industries such as electricity generation and transmission, non-conventional energy generation and distribution, and construction activities in the area of roads, bridges, railbeds, ports and harbours. Sector specific reforms incorporating tax holidays and concessional import duty have been introduced for telecom and power sector. The Government has recently announced guidelines for private investment in highway development through Build Operate-Transfer (BOT) route.

All these reforms are being implemented by the Government with a high priority to special programmes of poverty alleviation and employment generation and the development of social sector for achieving distributive justice.

[English]

PMRY Loans in Kerala

99. SHRI KODIKUNNIL SURESH : Will the Minister of FINANCE be pleased to state :

(a) the total amount of money spent so far by the nationalised banks for the self-employment under the PMRY Scheme during the last three years;

(b) the total amount of money spent in Kerala; and

(c) the number of applications pending before the nationalised banks for this purpose in Kerala ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) The details of sanction and disbursement by nationalised banks under Prime Minister's Rozgar Yojna (PMRY) Scheme (All India and in Kerala State) during the last three year are as under :

(Rs. in Lakhs)

Programme Year	Sanctioned amount		Disbursed amount	
	All India	Kerala	All India	Kerala
1	2	3	4	5
1994-95	66390.79	2518.33	41537.75	1868.55